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**FISCAL IMPACT STATEMENT**

**LS 7806**

**BILL NUMBER:** SB 428

**NOTE PREPARED:** Feb 28, 2005

**BILL AMENDED:** Feb 17, 2005

**SUBJECT:** Health Insurance Matters.

**FIRST AUTHOR:** Sen. Miller

**FIRST SPONSOR:** Rep. T Brown

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill requires a state educational institution that provides health coverage to the state educational institution's employees to provide employees with wellness education.

The bill also requires the Department of Insurance (DOI) to report to the Legislative Council concerning how to establish and implement a program through which individuals and small employers may purchase group health coverage as a single group.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** (Revised) *Wellness Education.* This bill requires a state educational institution that provides health coverage to the state educational institution's employees to provide employees with wellness education. Universities should be able to implement this provision given their existing budgets.

*Department of Insurance.* The bill provides that the DOI must report, not later than December 31, 2005, to the Legislative Council with a plan concerning how to provide for a joint health coverage purchasing program. The program must provide that two or more individuals and small employers may jointly purchase coverage for the individuals and employees of the small employers as members of a single group through a group policy of accident and sickness insurance or a group contract. This provision applies to employers with fewer than 50 employees. The DOI will need to contract for additional actuarial services. It is estimated that additional services will cost no more than \$50,000.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DOI, state educational institutions.

**Local Agencies Affected:**

**Information Sources:** Cynthia Brinker, Assistant Vice President, Business Affairs and Legislative Relations, 812-455-6361; Jim Atterholt, Acting Commissioner, DOI; Dan Tollefon, Financial Services Counselor, DOI; Amy Strati, DOI, 232-2404.

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